

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION**

In re: RE & D INVESTMENTS, LLC

Case Number 22-23697

Debtor.

Involuntary Chapter 7

**MOTION FOR CONVERSION OF THE CHAPTER 7 CASE OF
RE & D INVESTMENTS, LLC TO CHAPTER 11**

Comes now James Zhong aka Jimmy Zhong (hereafter "Zhong") by and through his undersigned counsel of record, and requests pursuant to 11 U.S.C. Section 706 (b) that the Chapter 7 case of RE & D Investments, LLC (hereafter "Debtor") be converted to a Chapter 11 case and administered thereunder. In support thereof Zhong would state to the Court as follows:

1. The Involuntary Case was commenced on September 1, 2022 by three creditors FEK, LLC, Access Builders, LLC and Jolly Roofing and Contracting Co., Inc. (hereafter "Petitioning Creditors") filing an involuntary petition for relief under Chapter 7 of the U.S. Bankruptcy Code (hereafter "Code").
2. Zhong filed an answer to the Involuntary Petition on October 11, 2022 in which he did not object to the petition but objects to the case proceeding under Chapter 7 of the Code.
3. No other creditor or party in interest has filed a response herein.
4. The Court entered an Order on October 13, 2022 granting relief granting the petition under Chapter 7.
5. Zhong is the 80% owner of the shares of corporation with the remaining 20% being held by Clayton Kemker. Clayton Kemker is the

son of Frank Kemker who is the principal of the largest petitioning creditor FEK, LLC.

6. Zhong was instrumentally in investing the funds that purchased the real property which is the most valuable asset of this estate in the approximate amount of \$9,555,062.85 (See List of Properties Attached Hereto as Exhibit "A").
7. Zhong as the majority shareholder asserts it is in the best interest of creditors and this estate to receive market value or as close as possible to market value for the assets of this estate.
8. Zhong does not have the information as to the number and amounts of all the claims of creditors of this estate, but the total claims of the Petitioning Creditors are \$1,804,813.17. Therefore, it should be imperative to market and sell the real properties of this estate for sufficient amount to pay all creditors, and costs of this administration.
9. Upon information and belief there is no activity ongoing for the Debtor and therefore doubtful any disbursements to be made until liquidation of the real property other than the minimal U.S. Trustee fees.
10. There does not appear to be any detriment to creditors proceeding under a Chapter 11 case but it definitely could be a detriment to Zhong not to liquidate assets at market value.
11. Zhong requests that the Court convert this case to a Chapter 11 and authorize the case to proceed thereunder.

WHEREFORE Zhong requests that the Court after appropriate notice and hearing convert this case to a Chapter 11 to proceed thereunder and for other and further relief as is just in these matters.

Respectfully Submitted ,

/s/ Toni Campbell Parker
TONI CAMPBELL PARKER TN # 6984
Counsel for Zhong
5100 Poplar Ave., Ste. 2008
Memphis, TN 38137
901-683-0099
Tparker002@att.net

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of this pleading has been served by U.S. Mail, postage prepaid or by e-mail on this 14th day of October, 2022 to the following parties:

Douglas M. Alrutz
Wyatt, Tarrant & Combs, LLP
Attorneys for FEK, LLC
6070 Poplar Ave., Ste. 300
Memphis, TN 38119
dalrutz@wyattfirm.com

Ursula Woods
Attorneys for Access Builders, LLC
7894 Winchester Rd., Ste. 500
Memphis, TN 38125
uwoods@preferredtitle.info

Luke P. Cantrell
Baker Donelson
Attorneys for Jolly Roofing and Contracting Co., Inc.
165 Madison Ave., Ste.2020
Memphis, TN 38103
lcantrell@bakerdonelson.com

Locke Houston Waldrop
Baker Donelson
Attorneys for Jolly Roofing and Contracting Co., Inc.
lwaldrop@bakerdonelson.com

Carrie Ann Rohrscheib
Attorney for U.S. Trustee
200 Jefferson, Ste. 499
Memphis, TN 38103
Carrie.a.rohscheib@usdoj.gov

/s/ Toni Campbell Parker
Toni Campbell Parker